

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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OLIVET UNIVERSITY, : CASE NO. \_\_\_\_-CV-\_\_\_\_  
: COMPLAINT  
: **WITH JURY DEMAND**  
:   
: NEWSWEEK DIGITAL LLC, NEWSWEEK  
: LLC, NEWSWEEK MAGAZINE LLC,  
: NEWSWEEK PUBLISHING LLC, NW  
: DIGITAL LLC, NW MAGAZINE LLC, NW  
: MEDIA HOLDINGS CORP., and NAVEED  
: JAMALI,  
: Defendants.  
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Olivet University (“Olivet”), by its counsel Cooley LLP, brings this Complaint against Newsweek Digital LLC, Newsweek LLC, Newsweek Magazine LLC, Newsweek Publishing LLC, NW Digital LLC, NW Magazine LLC, NW Media Holdings Corp. (together, “Newsweek”) and Naveed Jamali (“Jamali”) (Jamali with Newsweek, collectively “Defendants”) for committing defamation against Olivet.

**NATURE OF THE ACTION**

1. This lawsuit arises from Newsweek’s blatant abuse of its position as a trusted media company with a broad audience to attack its enemies by publishing false and defamatory statements about them. Specifically, after Newsweek CEO Dev Pragad (“Pragad”) improperly seized control of Newsweek, he threatened to use the power of the press to silence his co-owner, and then made good on his threats when his demands were not met.

2. Pragad and Johnathan Davis (“Davis”) became the nominal co-owners of Newsweek in 2018. At the time, both were members of the Olivet church (the “Church”), a

denomination of churches and faith groups, founded and led by Dr. David Jang (“Dr. Jang” or “Jang”). Both Pragad and Davis also served at Olivet.

3. Beginning years earlier, Pragad sought to seize full control of Newsweek’s operations. He threatened to go “nuclear” against Davis, Olivet, and the Church, should Davis seek to be anything more than a silent partner in Newsweek. In or around April 2022, Pragad also publicly announced his disassociation with the Church.

4. Pragad followed through with his threats, using Newsweek to publish a false and defamatory statement regarding Olivet. On July 2, 2022, Newsweek published an article by Jamali stating that “*Olivet pleaded guilty to money laundering*, as did several of Jang’s followers and companies they ran.”<sup>1</sup>

5. This statement was false, and Jamali and Newsweek knew it was false. The public records on which the article was purportedly based plainly showed that Olivet did not plead guilty to money laundering. Olivet pled to, in relevant part, “conspiracy in the fifth degree,” a misdemeanor. Pleading guilty to a “conspiracy” misdemeanor is a very different thing, and is recognized by the typical reader as a very different thing, than pleading guilty to money laundering, which is typically a felony.

6. Newsweek’s deliberate false reporting of Olivet’s plea had its intended effect, causing serious and ongoing damage to Olivet’s reputation. Olivet brings this lawsuit to seek redress for its injuries and to stop Defendants from further damaging its reputation.

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<sup>1</sup> Naveed Jamali, *New York Shuts Down Olivet University Amid Federal Money-Laundering Probe*, Newsweek (July 2, 2022, 9:35 PM), <https://www.newsweek.com/new-york-shuts-down-olivet-university-amid-federal-money-laundering-probe-1721221> (emphasis added). Attached hereto as Exhibit A.

## **PARTIES**

7. Plaintiff Olivet is a religious nonprofit corporation organized and existing under the laws of the State of California with its principal place of business in Anza, California. Olivet is a private religious institution consisting of multiple colleges, including the Olivet Theological College & Seminary, the Olivet College of Journalism, and the Olivet Institute of Technology. Dr. Jang founded Olivet in 2004. Olivet was an expansion of the Olivet Theological College & Seminary, which Dr. Jang founded in 2000. Olivet's main campus is in rural southern California. It also has extension campuses across the United States, including in Florida, Missouri, Tennessee, and Washington, D.C.

8. Defendant Newsweek Digital LLC is a limited liability company formed on September 14, 2018 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. Newsweek Digital LLC is a news outlet that publishes online content. Since 2013, the individuals controlling Newsweek have previously either served at Olivet, been members of the Church, or both.

9. Defendant Newsweek LLC is a New York limited liability company formed on July 30, 2013 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. Newsweek LLC was formed in connection with IBT Media Inc.'s acquisition of Newsweek magazine from IAC/InterActiveCorp. From 2013 to 2018, IBT Media Inc. was the sole member of Newsweek LLC. In September 2018, IBT Media Inc. entered into a transaction pursuant to which it allegedly sold all of its membership interests in Newsweek LLC to NW Media Holdings Corp.<sup>2</sup>

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<sup>2</sup> This transaction currently is the subject of litigation between IBT Media Inc. and NW Media Holdings Corp., and also at issue in other related litigations. *See, e.g., infra* ¶ 26. For purposes of this Complaint, Olivet takes no position on the validity of the transaction, and nothing herein should be construed to state a position regarding the

10. Defendant Newsweek Magazine LLC is a New York limited liability company formed on September 14, 2018 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. Newsweek Magazine LLC is owned by NW Media Holdings Corp.

11. Defendant Newsweek Publishing LLC is a New York limited liability company formed on September 18, 2018 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. Newsweek Publishing LLC is owned by NW Media Holdings Corp.

12. Defendant NW Digital LLC is a New York limited liability company formed on September 21, 2018 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. NW Digital LLC is owned by NW Media Holdings Corp.

13. Defendant NW Magazine LLC is a New York limited liability company formed on September 21, 2018 and maintaining a place of business at 1 World Trade Center, Floor 72, New York, New York 10007. NW Magazine LLC is owned by NW Media Holdings Corp.

14. Defendant NW Media Holdings Corp. is a New York corporation formed on September 13, 2018 and maintaining its place of business at 1 World Trade Center, Floor 72, New York, New York 10007. NW Media Holdings Corp. is nominally owned by Pragad and Davis. Pragad and Davis are also the sole directors and officers of NW Media Holdings Corp.

15. Defendant Jamali, an individual, is the Newsweek Editor at Large. Upon information and belief, Jamali is a resident and domiciliary of New York, New York. Jamali is the author of the defamatory article that Newsweek published. Jamali is a contributor to numerous

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validity or invalidity of the transaction as to the transfer of any assets of Newsweek LLC or other Newsweek entities allegedly owned by NW Media Holdings Corp.

news outlets (such as Fox and CNN) and has written for numerous publications, including Business Insider.

### **JURISDICTION AND VENUE**

16. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332. There is complete diversity among the parties because Olivet is a corporation organized under the laws of the State of California with its principal place of business in Anza, California, and each Defendant is a citizen and/or domiciliary of the State of New York.

17. This Court has personal jurisdiction over the Defendants under N.Y. C.P.L.R. § 301 because Defendant Newsweek is headquartered in New York and regularly does business in New York, and Defendant Jamali is a resident of New York.

18. Venue is proper in this District under 28 U.S.C. § 1331(b)(1)-(2) because Defendant Newsweek is headquartered and regularly does business in this District, Defendant Jamali resides in this District, and many of the events or omissions giving rise to the claim occurred in this District.

### **FACTUAL ALLEGATIONS**

#### **I. OLIVET'S CLOSE TIES TO NEWSWEEK**

19. In August 2013, IBT Media Inc. acquired Newsweek from IAC Inc. IBT Media Inc. was then co-owned by Etienne Uzac ("Uzac") and Davis.

20. In 2013, Uzac was a member of Olivet's Board of Trustees. Davis was a journalism professor at Olivet and married to Olivet's then-President Tracy Davis. Tracy Davis was a long-standing member of the Olivet community, having completed her graduate and post-graduate studies at the school.

21. In 2018, Uzac and IBT Media Inc. were facing an investigation by the Manhattan District Attorney's Office relating to certain loans that Uzac facilitated for IBT Media Inc. As a

result, Pragad encouraged Uzac to distance himself from operating and managing IBT Media Inc. and Newsweek. Ultimately, Pragad proposed, and Uzac and Davis agreed, to document a transaction in which IBT Media Inc. appeared to spin off all Newsweek related assets to NW Media Holdings Corp., which was to be co-owned by Davis and Pragad. Following this purported transaction, Pragad declared himself Newsweek's President and Chief Executive Officer.

22. Like Uzac and Davis, Pragad also had close ties to Olivet. He was a part-time academic advisor at Olivet and a member of the Church.

23. From at least January 2018 to the present, Pragad has served as President and Chief Executive Officer of Newsweek.

## **II. NEWSWEEK, UNDER PRAGAD'S CONTROL, SEVERS ITS TIES WITH OLIVET**

24. Based on false pretenses, Pragad has gained notoriety since he assumed the titles of President and Chief Executive Officer of Newsweek. He has served as a guest speaker at a prestigious college, appeared on a widely followed podcast, and been the subject of a Harvard Business School case study.<sup>3</sup>

25. In the wake of this newfound fame, Pragad began to take steps in an effort to seize full control of Newsweek. In or around April 2022, Pragad announced publicly that he was disassociating with Olivet and the Church.

26. Shortly after Pragad's April 2022 announcement, litigation arose among Davis, Pragad, NW Media Holdings Corp., IBT Media Inc., and other individuals and entities. *See, e.g., Pragad v. Davis*, No. 652334/2022 (N.Y. Cnty. Sup. Ct. July 6, 2022); *Davis v. Pragad*, No.

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<sup>3</sup> King's College London, *Exploring the Characteristics of Resilient Leadership*, Youtube (Aug. 5, 2022), <https://www.youtube.com/watch?v=sxgxPNR9ss0>; Lynda M. Applegate and Suraj Srinivasan, *Newsweek: Driving a Digital First Strategy*, Harvard Business School Case 822-052 (Feb. 2022), <https://www.hbs.edu/faculty/Pages/item.aspx?num=61379>.

652366/2022 (N.Y. Cnty. Sup. Ct. July 8, 2022); *IBT Media Inc. v. Pragad*, Case No. 652277/2022 (N.Y. Cnty. Sup. Ct. June 30, 2022); *NW Media Holdings Corp. v. IBT Media Inc.*, No. 652344/2022 (N.Y. Cnty. Sup. Ct. July 6, 2022).

### III. NEWSWEEK DEFAMES OLIVET

27. By July 2022, the relationship between Newsweek, under Pragad’s effective control, and Olivet had disintegrated. Among other things, Pragad threatened to detonate a “nuclear bomb” by weaponizing Newsweek’s platform to publish negative stories about Davis, Olivet, and others associated with them.

28. Pragad made good on his threat. On July 2, 2022, Newsweek published an article about Olivet written by Jamali (the “2022 Article”).<sup>4</sup>

29. The 2022 Article stated that “***Olivet pleaded guilty to money laundering***, as did several of Jang’s followers and companies they ran.” (emphasis added).

30. This statement is false and defamatory, and Defendants knew it. As was clear from public records to which Defendants had access, Olivet resolved an ongoing investigation by the New York County District Attorney into the financing of certain computer servers used by Olivet and Newsweek by entering into a plea agreement in February 2020.

31. Under the terms of the plea agreement, Olivet pled to falsification of business records in the first degree, a felony, N.Y. Penal Law § 175.10, and conspiracy in the fifth degree, a misdemeanor, N.Y. Penal Law § 105.05(1). The plea agreement provided that, if Olivet complied with the terms for 24 months, then all counts of the indictment other than the conspiracy charge would be dismissed, and the plea of guilty to falsification of business records would be reduced to the second degree, a misdemeanor, N.Y. Penal Law § 175.05. After the expiration of

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<sup>4</sup> Jamali *supra* note 1.

the agreed-upon 24-month period, all charges except for the conspiracy charge were in fact dismissed.

32. Olivet did not plea to an offense of money laundering. The plea is clear on its face that Olivet pled to “conspiracy in the fifth degree.”

33. Jamali and Newsweek knew or should have known that this statement was patently false because, at a minimum, the facts related to Olivet’s plea were publicly available. Jamali also tweeted in April 2022 that Olivet confirmed the dismissal of all money laundering charges, but Jamali and Newsweek still stated three months later in June 2022 that Olivet had pled guilty to money laundering.<sup>5</sup>

34. Jamali and Newsweek tried to support their false statement by citing another Newsweek article. Specifically, the words “pledged guilty” in the 2022 Article contain a hyperlink to a February 14, 2020 Newsweek article.<sup>6</sup> The hyperlinked article did not (and of course could not) show that Olivet had pled guilty to money laundering. In fact, the article did not mention Olivet at all.

35. On July 12, 2022, Olivet informed Newsweek of its error in the 2022 Article. Olivet sent Newsweek a cease-and-desist letter identifying and requesting that Newsweek retract the false statement. Newsweek, however, has refused to take any action.

36. On March 28, 2023, Newsweek published another article containing the same defamatory statement about Olivet. Namely, that Olivet had pleaded guilty to money laundering.<sup>7</sup>

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<sup>5</sup> Naveed Jamali (@NaveedAJamali), Twitter (Apr. 22, 2022, 4:37 PM), <https://twitter.com/NaveedAJamali/status/1517603519175475201> (“The money laundering charges & all felony charges have been dismissed & the case is fully resolved as a misdemeanor matter.”).

<sup>6</sup> Nancy Cooper, *Former IBT Media Head Pleads Guilty In Fraud Case*, Newsweek (Feb. 14, 2020, 3:45 PM), <https://www.newsweek.com/former-ibt-media-head-pleads-guilty-fraud-case-1487424>.

<sup>7</sup> Naveed Jamali and Alex J. Rouhandeh, *California Moves to Shut Down David Jang’s Olivet University as Feds Circle*, Newsweek (Apr. 20, 2023 at 4:24 PM), <https://www.newsweek.com/california-moves-shut-down-david-jangs-olivet-university-feds-circle->

37. On April 14, 2023, Olivet sent yet another cease-and-desist letter to Newsweek, again highlighting Newsweek's error. On April 20, 2023, Newsweek issued a correction to the 2023 article. The correction read: "*This story originally stated that Olivet pleaded guilty to money laundering; it pleaded guilty to falsifying business records in connection with a money-laundering scheme. Newsweek regrets the error.*"<sup>8</sup>

38. Newsweek thus knows that Olivet has not pleaded guilty to money laundering. Yet, Newsweek has failed to correct this false statement in its 2022 Article.

**COUNT I**  
**DEFAMATION PER SE AGAINST ALL DEFENDANTS**

39. Olivet incorporates by reference paragraphs 1 through 38 and re-alleges them as if set forth fully herein.

40. Defendants published the 2022 Article on Newsweek's website and the 2022 Article contained the defamatory statement that Olivet had pled guilty to money laundering.

41. Defendants' statement identified—and was "of or concerning"—Olivet.

42. Defendants' statement contained a falsehood about Olivet, whether on its face and/or by virtue of a clear implication that Defendants affirmatively intended.

43. Defendants' false statement regarding Olivet was defamatory per se.

44. Defendants' false and defamatory statement was published throughout New York State and around the world on the Internet. Defendants ensured that their false and defamatory statement about Olivet would receive wide circulation by using Newsweek to disseminate the statement to its broad audience.

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[1790647#:~:text=California's%20Attorney%20General%20has%20taken,fraud%20and%20other%20suspected%20crimes](#) (the original publication date of this article was on Mar. 28. 2023, 12:27 PM).

<sup>8</sup> *Id.*

45. Defendants made their false and defamatory statement knowing that it was false or with reckless disregard for its truth or falsity.

46. Defendants made their false statement with ill will and spite, and with wanton, reckless, or willful disregard for its injurious effects on Olivet and Olivet's rights.

47. Defendants' false and defamatory statement caused Olivet to suffer reputational, financial, and professional harm.

48. Olivet demands trial by jury.

#### **PRAYER FOR RELIEF**

WHEREFORE, Olivet prays this Court enter orders as follows:

- 1) Finding that Defendants are liable, jointly and severally, for defaming Olivet.
- 2) Awarding permanent injunctive relief that each Defendant shall refrain from repeating or in any way furthering the publication of the defamatory statement.
- 3) Awarding Olivet damages in an amount to be determined at trial.
- 4) Awarding Olivet pre- and post-judgment interest, costs, and such other and further relief as this Court may deem just and proper.

#### **JURY DEMAND**

Olivet hereby demands a trial by jury on all issues so triable pursuant to Rule 38 of the Federal Rules of Civil Procedure.

Dated: New York, New York  
June 30, 2023

Respectfully submitted,  
COOLEY LLP  
55 HUDSON YARDS  
NEW YORK, NY 10001-2157  
+1 212 479 6000

By: */s/ Philip M. Bowman*  
Philip M. Bowman  
(pbowman@cooley.com)

Attorneys for Plaintiff  
Olivet University